



Audit & Governance Committee

9th June 2023

Agenda Item

11

Title:	Outcome & Recommendations from Procurement Review and High-Level Action Plan
Report of:	Nick Bell
Lead Member:	
Public Report:	Yes
Key Decision:	No
Voting Arrangements:	N/A

Recommendations:

A	Recommend to the CA Board the Implementation of the high level action plan as set out in Appendix 2 – Action Plan
B	Recommend that the CA Board approve the recruitment of the additional posts noted in the high level action plan (2 procurement and contracts officers and 1 contract manager) and that the costs of these posts will need to be built into the Medium Term Financial Plan for 2024-25 onwards.

Strategic Objective(s):

The proposals within this report fit under the following strategic objective(s):

	Achieving Best Value and High Performance
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1. Purpose

1.1	A&G committee is asked to consider and comment on the attached report in light of the Best Value Notice. (Note PWC will be present at the meeting to answer any questions on the report)
1.2	A&G are also requested to recommend to the CA Board approval of the recommendations contained in the PwC report and approval of the high level action plan attached at Appendix 2 (including costs of new posts)

2. Proposal

2.1	To implement the recommendations as proposed by PWC in a manner that ensures best value for the authority. Initial priority actions are included in the high level action plan attached as Appendix 2 to the report. A more detailed action plan, incorporating relatively lower priority actions, will be brought back to the next meeting of the Audit & Governance Committee in July 2023.
2.2	The development of a procurement service fully resourced with personnel, policies etc will ensure effective delivery of services and improve the quality of life of residents.

3. Background

3.1	The CPCA received a best value notice dated 24/01/2023 following concerns raised within the Authority in respect of procurement of services by the Authority. The CPCA commissioned PwC to undertake an external review of the procurement service.
3.2	PwC were asked to comment on the Combined Authority's Procurement strategy, policies, operations and compliance and how this reflected best practice and Best Value and to provide recommendations for improvement to the Combined Authority, taking into account the likely requirements of the Procurement Bill currently passing through Parliament.
3.3	<p>Alternative options considered</p> <ol style="list-style-type: none">1. Do nothing – this would not be in the best interest of the CPCA and does not foster good governance and best value.2. Undertake an internal review – resource is not available to undertake this piece of work and may appear as not independent.

4. Appendices

4.1	Appendix 1 - CPCA Procurement Review Appendix 2 – Procurement Action Plan
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5. Implications

Financial Implications

5.1	The implementation of the high level action plan will require additional resources, namely 3 new roles and the provision of training for all staff involved in procurement and contract management. Full year staffing costs are anticipated to be in the region of £140K (including on costs), which will need to be built into the MTFP for 2023-24. For 2022-23 it is anticipated that there will be a part year impact of staffing costs of approximately £70k given the time to recruit to the new posts and this cost will be met from the Improvement Budget in year.
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Legal Implications

6.1	This report needs to be seen in the context of the legal and constitutional nature of the CPCA itself. Under Section 3 of the Local Government Act 1999 (as amended by s137 of the Local Government & Public Involvement in Health Act 2007), the CPCA is under a general duty to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
6.2	Chapter 13 Rule 13.2.1 of the CPCA constitution empowers this committee to review and assess the economy, efficiency and effectiveness with which resources have been used in discharging the authority's functions.

Public Health Implications

7.1	None
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Environmental & Climate Change Implications

8.1	None
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Other Significant Implications

9.1	None
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Background Papers

10.1	None
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